

DON INTERIM PERFORMANCE MANAGEMENT SYSTEM & USMC REWARD RECOGNITION FRAMEWORK TRAINING FOR EMPLOYEES AND SUPERVISORS



New Policy

- DON distributed guidance on the Interim Performance Management System Policy (IPMS) 13 Sep 2010
- Covers non-bargaining unit appropriated fund civilian positions previously covered by NSPS (not Lab or AcqDemo).
- USMC Letter of Instruction was released on 16 Sep 2010
- Implements DON IPMS and publishes recognition framework to be used by USMC



DEPARTMENT OF THE NAVY
OFFICE OF THE SECRETARY
1105 NAVY PENTAGON
WASHINGTON, D.C. 20350-1000

MEMORANDUM FOR ECHELON I AND II COMMANDS

SUBJECT: Department of the Navy (DON) Interim Performance Management System for non-Bargaining Unit Positions Transitioning from the National Security Personnel System (NSPS) to the General Schedule (GS) - Updated

The DON remains committed to supporting organizational effectiveness by continuing to recognize and reward employees in meaningful ways and to support accountability and transparency in the process. Further, consistent with our commitment to our customers regarding engagement and collaboration, the Department of the Navy (DON) has updated policy and guidance for the DON Interim Performance Management System previously published on 20 April 2010.

The revised policy provides greater flexibility to Echelon I and II Commands in operationalizing the recognition and rewards framework. The revised policy also:

- Clearly delineates, as two separate processes, the ratings and rewards of employees
- Delineates the prescribed framework for recognition and rewards - the policy now includes defined principles for operationalizing Command-level framework
- Clarifies language and provides "crosswalk" guidance for determining career stage
- Modifies unacceptable performance management processes to point managers and supervisors to policies contained within 5 CFR 752 and 5 CFR 432 for guidance.

If there are any questions, please contact Sara Pranio, Specialist, Interim Performance Management, Office of Civilian Human Resources DON Transition Management Office, at (202) 685-6531 or by email at: sara.pranio@navy.mil.

[Signature]
Julia M. Garcia
Assistant Secretary of the Navy
(Manpower and Reserve Affairs)



DEPARTMENT OF THE NAVY
HEADQUARTERS UNITED STATES MARINE CORPS
3200 RUSSELL ROAD
QUANTICO, VA 22134-0001

OF MIDDLE EASTERN ID:
12430
MSEA/MPC
16 Sep 10

From: Deputy Commandant, Manpower & Reserve Affairs

Subj: LETTER OF INSTRUCTION FOR IMPLEMENTING DEPARTMENT OF THE NAVY INTERIM PERFORMANCE MANAGEMENT SYSTEM

Ref: (a) DON Interim Performance Management System for non-Bargaining Unit Positions Transitioning from the National Security Personnel System (NSPS) to the GS - Updated of 13 September 2010
(b) DOD 1400.25-M, SC 1940
(c) USMC LOI on NSPS Performance Management of 5 Feb 2008
(d) DOD Transition from NSPS to GS Guide, Chapter 5 of 23 Jul 2010
(e) SECNAV M210.1, Records Management Manual Chg 1 of 09SEP09

Encl: (1) Career Stage Decision Matrix

1. **Purpose.** To establish United States Marine Corps (USMC) interim policy and assign responsibility for implementing the Department of the Navy's (DON) Interim Performance Management System for commands covered as defined below. This guidance must be used in conjunction with reference (a).

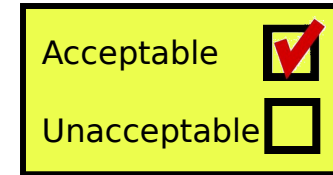
2. **Applicability.** This interim system covers all non-bargaining unit appropriated fund civilian positions in the Marine Corps previously covered by the NSPS performance management system which are not otherwise covered by the Acquisition Demonstration Projects performance management systems. Employees hired into positions previously covered by NSPS, or into positions that would have been covered by NSPS, are likewise to be covered by this system. Organizations desiring to negotiate the inclusion of bargaining unit employees under this system must contact DC, MSEA, Labor and Employee Relations (MPC-40) (703) 784-9763 for guidance and approval before beginning any action. No part of the substance of the DON interim system and this Letter of Instruction are negotiable.

3. **Background.** The National Defense Authorization Act (NDAA) 2010 repealed the authority for the National Security Personnel System (NSPS) in October 2009. The law also required that the Department of Defense (DoD) submit to Congress a proposal for an enterprise-wide performance management system. For the period following transition from NSPS until the DoD-wide performance

Both documents can be found on the MPC-20 Transition Website

Two Processes

- There are two separate processes involved
 - Rating
 - Process performed by Employee, Rating Official (RO) and Senior Rating Official (SRO)
 - Assesses employees performance
 - Ratings can only be “Acceptable” or “Unacceptable”
 - Rewarding (Recognition Framework)
 - Process performed by the Performance Award Review Board (PARB)
 - Determines the contribution level of the employees overall performance on the goals/mission of the office/unit/command
 - Recognizes performance through the use of cash awards and Quality Step Increases



Discussed in more detail later

4 Phases of Performance Management

1) Planning

- Establishing Performance Plans
 - Career Stages
 - Performance standards
 - Critical Elements

2) Monitoring and Developing

- Progress Reviews
 - Written assessments & discussions
- Establishment of Performance Award Review Boards
 - Number and level
 - Determine funding
 - Publish business rules

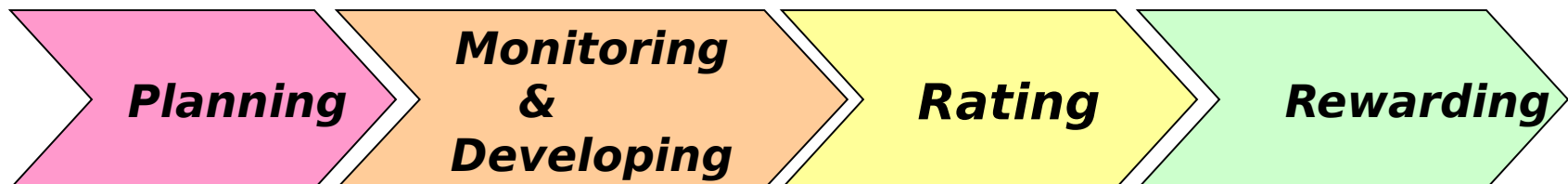
3) Rating

- Employee
 - Required written self assessment
- Rating Official (RO)
 - Written assessment
 - Evaluate critical elements against performance standards
 - Rate each element
"Acceptable" or "Unacceptable"
 - Recommend rating of record to Senior Rating Official (SRO)
 - Recommend employee receive an award
- SRO
 - Approval and concurrence
 - Rating of record
 - Award

4 Phases of Performance Management

4) Rewarding

- Performance Award Review Board
 - Composition
 - Board Chair
 - Members (knowledge of performance/contribution)
 - Board Administrator
 - Determine & assign Contribution Levels (CL)
 - Set starting percentages for contribution levels
 - Review and award Quality Step Increases (QSI)



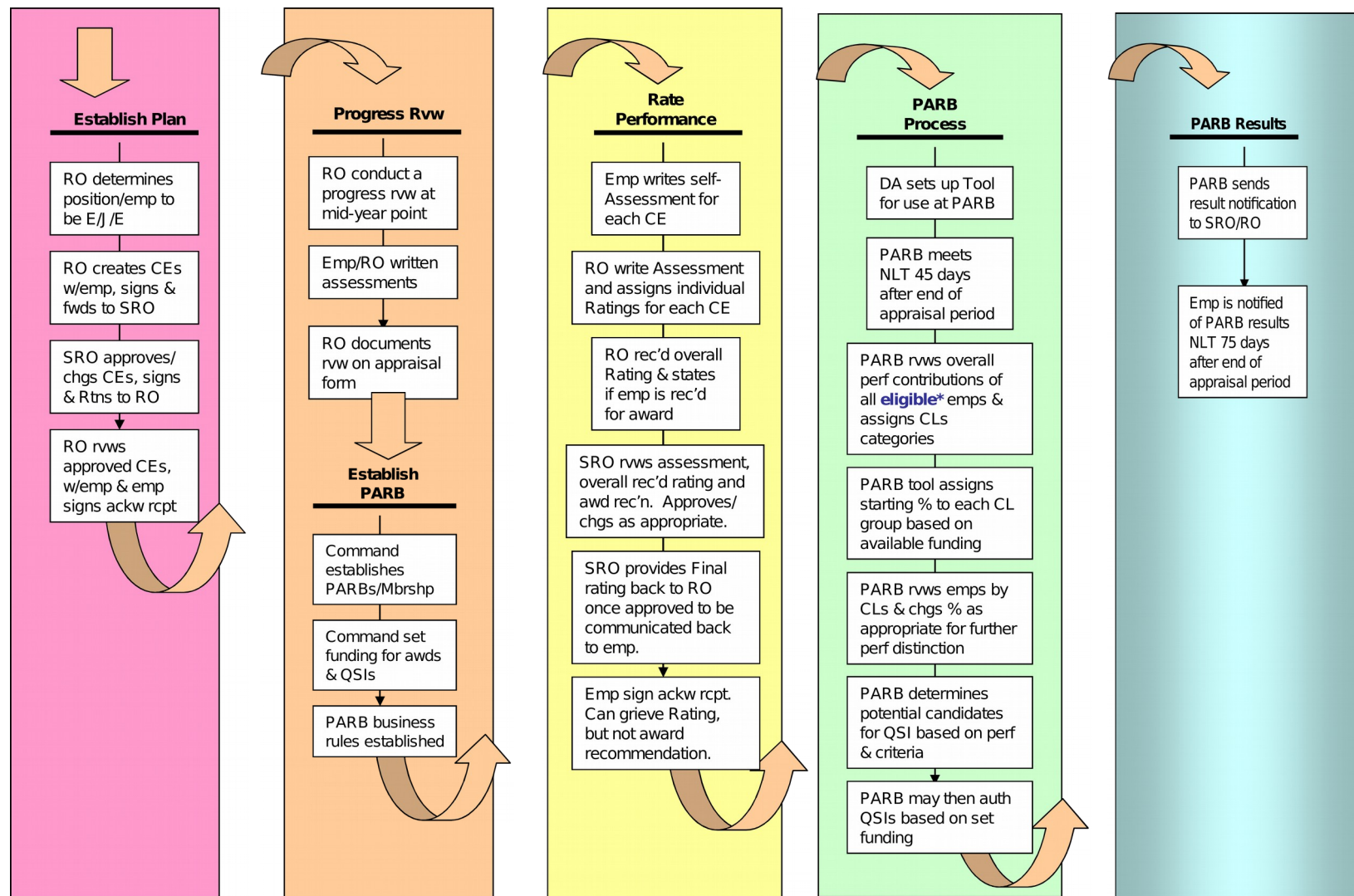
How the process works

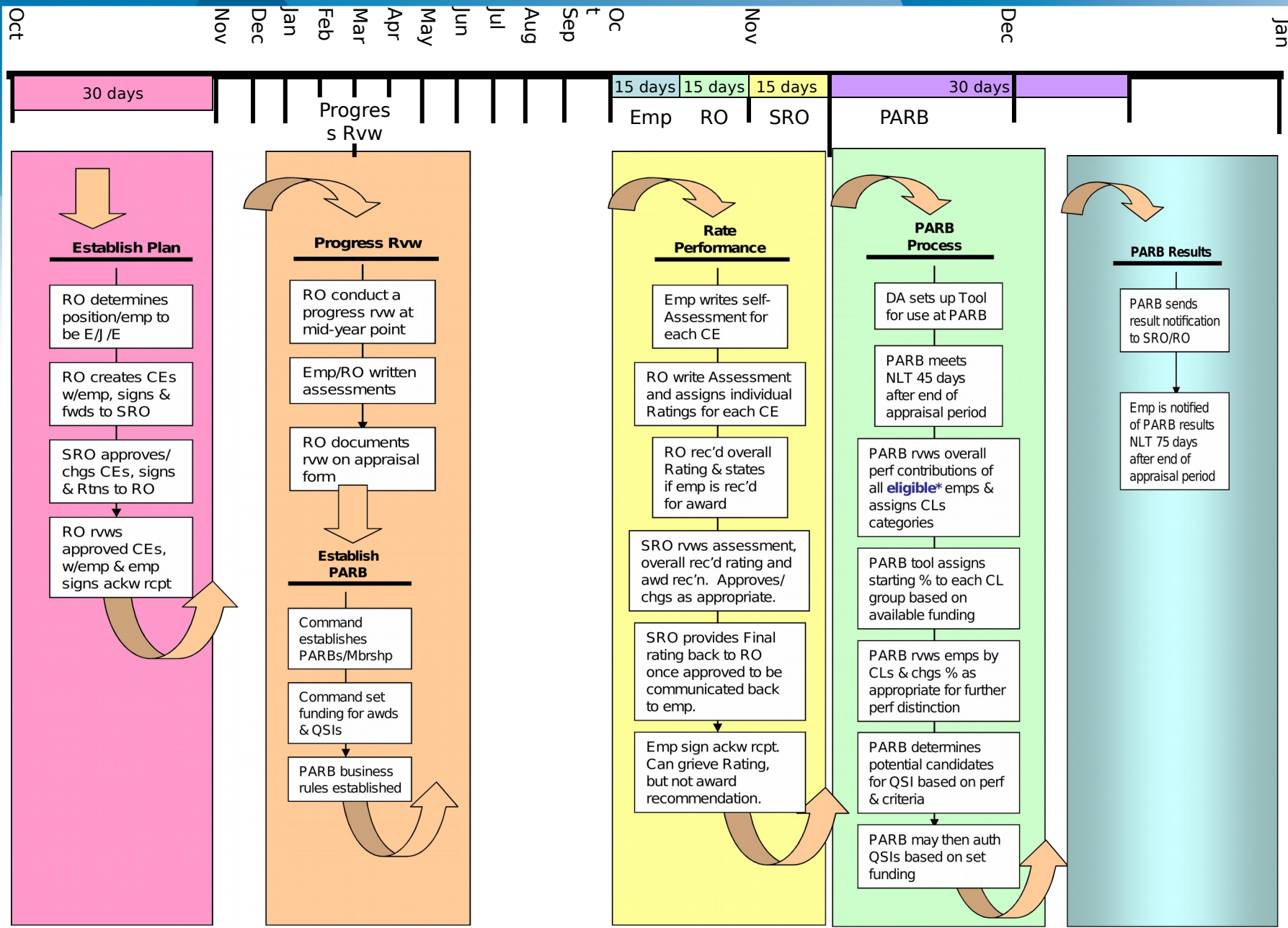
Planning

Monitoring & Developing

Rating

Rewarding





Establishing the Performance Plan

- Rating Official (RO) determines the career stage
 - Entry, Journey, Expert
 - Normally based on grade and job progression pattern
 - Decision matrix in LOI
 - Definitions in DON Policy Appendix C

Professional work requires knowledge in a field of science or learning characteristically acquired through education or training equivalent to a bachelor's or higher degree with major study in or pertinent to the specialized field, as distinguished from general education. Professional occupational series follow a two-grade interval pattern and are identified as professional in the series definitions. (The following list is not all inclusive)

Series	Description	Series	Description
GS-020	Community Planning	GS-801	General Engineering
GS-101	Social Science	GS-802	Electrical Engineering
GS-110	Economist	GS-804	Fire Protection Engineering
GS-130	Foreign Affairs	GS-806	Materials Engineering
GS-131	International Relations	GS-807	Landscape Architecture
GS-140	Workforce Research and Analysis	GS-808	Architecture
GS-150	Geography	GS-810	Civil Engineering
GS-170	History	GS-819	Environmental Engineering
GS-180	Psychology	GS-830	Mechanical Engineering
GS-184	Sociology	GS-840	Nuclear Engineering
GS-185	Social Work	GS-850	Electrical Engineering
GS-190	General Anthropology	GS-854	Computer Engineering
GS-193	Archeology	GS-855	Electronics Engineering
GS-401	General Biological Science	GS-858	Biomedical Engineering
GS-403	Microbiology	GS-861	Aerospace Engineering

CAREER STAGE DECISION MATRIX

How to use this matrix: Use the lists on pages 2 through 5 of this enclosure to look up the series for an employee's position. Based on the type of work listed at the top of each page that the series falls under, return to the appropriate table below and use the grade to determine whether the position is entry, journey, or expert level.

**Professional work
&
Administrative work**

Levels described are generally applicable:

Level	Grades
Entry (Typically based on education alone)	GS-05 GS-07
Journey (Typically requires a combination of education and experience)	GS-09 GS-11 GS-12
Expert (Primarily based on experience)	GS-13 and above

Technical work

The Levels described are generally applicable:

Level	Grades
Entry	GS-04 GS-05 GS-06
Journey	GS-07 GS-08 GS-09

GS-0801-13

Career Stage: Expert

Establishing the Performance Plan

DEPARTMENT OF THE NAVY (DON) INTERIM PERFORMANCE APPRAISAL FORM Version 3.0 (Please read Privacy Act Statement and Instructions before completing this form.)			
SECTION 1 - PERFORMANCE PLAN			
PART A - ADMINISTRATIVE DATA			
1. APPRAISAL PERIOD:	a. START DATE	b. END DATE	
2. EMPLOYEE NAME (Last, First, Middle Initial)		3. SOCIAL SECURITY NUMBER (Last 4 digits) XXX-XX-	
4. POSITION TITLE		5. GENERAL SCHEDULE (GS) GRADE AND STEP	
6. ORGANIZATION			
PART B - CRITICAL ELEMENT PERFORMANCE STANDARDS			
A critical element performance standard is a general description of a level, requirement, or expectation of employee performance that must be met to be appraised at a particular level of performance. Performance standards are contained in Appendix C of the document <i>Interim Performance Management System Covering Positions Transitioning to the General Schedule from NSPS</i> and are defined by career stage - entry, journey and expert. A single career stage will be used for all critical elements. The supervisory performance standard is used only for supervisory critical elements. Copy and paste the appropriate performance standard(s), including the career stage, into the field below.			
Expert	Acceptable	<ul style="list-style-type: none"> Delivered on each critical element with broad and significant impact that was in alignment with the mission and objectives of the organization as well as applicable authorities, standards, policies, procedures and guidelines anticipating and overcoming significant obstacles. Established priorities and coordinated work across projects, programs or people, balancing work demands and anticipating and overcoming obstacles to achieve a timely and positive outcome. Demonstrated high standards of professional conduct and represented the organization or work unit effectively. 	
Expert	Unacceptable	<ul style="list-style-type: none"> Failed to achieve all or part of the stated critical elements or 	

- Complete Admin Data in Part A
- Performance Standards (PS) required in Part B are aligned to the Career Stage (CS) of the position
 - Only one CS per appraisal form
 - PS are in DON Policy Appendix C
 - Used to determine "Acceptable" & "Unacceptable" Performance on Critical Elements
- Copy PS from Appendix C in to Part B
 - If supervisor, copy supervisory PS in addition to entry, journey or expert PS

Establishing the Performance Plan

PART C - CRITICAL ELEMENTS

Critical elements are work assignments, goals, objectives, or responsibilities of such importance that unacceptable performance on the element would result in a determination that an employee's overall performance is unacceptable. A critical element must be sufficiently specific in nature so as to be understandable by the employee and assessable by a rating official, be comprehensive enough to span the entire rating period or a substantial portion thereof, and must be commensurate with the employee's grade, experience, and position requirements. A performance plan must have a minimum of two, but generally between three and five critical elements, that address individual expectations and goals.

CRITICAL ELEMENT 1 TITLE:

CRITICAL ELEMENT 2 TITLE:

CRITICAL ELEMENT 3 TITLE:

- RO develops Critical Elements (CE) with employee
 - Derived from work assignment; aligned to goals, mission, etc.
 - Specific in nature; understandable; comprehensive
 - SMART or other comparable format used
 - Minimum of 2 CEs
 - Maximum of 5 CEs
 - Recommend 3-5 CEs
- If a supervisor, must have a supervisory CE
- For specific position requirements, refer to

Establishing the Performance Plan

PART D - PERFORMANCE PLAN DOCUMENTATION			
The following signature blocks must be signed within 30 days from the start of the appraisal period, entrance on duty of a new employee, or upon formal change to this plan.			
1. POSITION DESCRIPTION CERTIFICATION (to be completed by Rating Official)			
I certify that the employee's position description (PD) is current and accurate. <input type="checkbox"/>			
2. MEANS OF DELIVERY (Enter date under method used)	a. FACE-TO-FACE	b. TELEPHONE	c. OTHER (Explain):
3.a. PRINTED NAME OF RATING OFFICIAL (Last, First, Middle Initial)	b. SIGNATURE		
c. TITLE AND ORGANIZATION	d. DATE		
4.a. PRINTED NAME OF SENIOR RATING OFFICIAL (Last, First, Middle Initial)	b. SIGNATURE		
c. TITLE AND ORGANIZATION	d. DATE		
5.a. SIGNATURE OF EMPLOYEE (Receipt acknowledged. Signature does not indicate agreement or disagreement.)	b. DATE		
PART E - COMMAND USE			

- RO must certify if the PD is current and accurate
- If not, take immediate steps to correct
- RO signs and forwards to Senior Rating Official (SRO) for review & approval
- SRO reviews/approves CEs and returns plan to RO
- RO documents communication of approved plan with employee
- Employee signs acknowledging performance plan

Must be established within 30 days after the beginning of the cycle or new position

Progress Review

PART F - EMPLOYEE SELF-ASSESSMENT FOR PROGRESS REVIEW *(if required)*




- Required at mid-year point
 - Written employee self assessments strongly encouraged
 - Written RO assessment mandatory
- How to write a self-assessment training
 - iSuccess Web Based Training
 - Uses STAR format (there are others, ORCA, SCRAM, etc.)
 - http://www.cpms.osd.mil/nsps/iSuccess/index.htm?dlaunch=05_00_010

PART G - RATING OFFICIAL ASSESSMENT FOR PROGRESS REVIEW *(if required)*

Progress Review

- RO will document review with the employee on the appraisal form
 - SRO signature optional
- Employee should sign acknowledging the review

An employee must be notified at any point during the rating cycle should performance fall below “Acceptable”

PART H - PROGRESS REVIEW DOCUMENTATION			
1. MEANS OF DELIVERY (Enter date under method used)	a. FACE-TO-FACE	b. TELEPHONE	c. OTHER (Explain):
2.a. PRINTED NAME OF RATING OFFICIAL (Last, First, Middle Initial)	b. SIGNATURE 		
c. TITLE AND ORGANIZATION			
3.a. PRINTED NAME OF SENIOR RATING OFFICIAL (OPTIONAL) (Last, First, Middle Initial)	b. SIGNATURE (OPTIONAL) 		
c. TITLE AND ORGANIZATION			d. DATE
4.a. SIGNATURE OF EMPLOYEE (Receipt acknowledged. Signature does not indicate agreement or disagreement.) 			b. DATE

Establishing Performance Award Review Boards (PARB)

- Between April and August Commands will determine the level and numbers of PARBs
 - Identify membership
 - Publish PARB business rules 30 days prior to the end of the performance cycle
 - Due to the late release of the DON policy, published business rules will take place at the earliest opportunity but not later than 30 days from issuance of the DON policy
- PARBs will identify the funding percentages
 - DoD has capped the funding level at 1% for transition year for cash awards
 - For all other years, DON has set the funding at 1.25% of basic salaries in the PARB for cash awards
- Commands may set an additional percentage for the awarding of QSIs.

Under certain circumstances a closeout rating may be required. Otherwise the annual rating will be performed at the end of the cycle.

Rate Performance

- Process performed by the employee, RO and SRO
 - Only two ratings
 - Acceptable and Unacceptable
 - Employee required to provide a written self-assessment for each critical element.
 - Due 15 days after end of cycle
 - Commands may require a specific format (STAR, ORCA, SCRAM, etc)
 - RO required to consider employee self-assessment when preparing written assessment and individual critical element rating
 - Due 30 days after end of cycle
 - Any individual rating of “unacceptable” the entire rating of record will be “unacceptable”
 - Performance standards used to evaluate acceptable and unacceptable performance found in appendix C of DON guidance
 - Distinguished by career stage
 - Supervisory critical element must be evaluated against the supervisory performance standard
 - New performance appraisal form
 - Old versions can continue to be used if established prior to date of USMC LOI
 - Performance appraisal form will not record numerical scores associated with rewarding
 - RO narrative assessment must be able to justify recommended rating of record to SRO

Rate Performance

- Employee self-assessment required for every Critical Element
- RO assessment required for every Critical Element
- RO assessment must support rating assigned

NO NUMERICAL SCORES!

PART L - ANNUAL ASSESSMENT	
To receive a rating of record, an employee must have served for a minimum appraisal period of 90 days under an approved performance plan in the same position. If necessary, an employee's rating period may be extended by the rating official with approval from the senior rating official beyond the end of the rating period to allow for the 90-day minimum to be met, as long as the extension does not interfere with the ability to manage any part of the rating and rewarding process for the employee's organization.	
CRITICAL ELEMENT 1 TITLE:	
EMPLOYEE SELF-ASSESSMENT	
RATING OFFICIAL ASSESSMENT	
CRITICAL ELEMENT 1 - INDIVIDUAL ELEMENT LEVEL: Acceptable	

Rate Performance

- Each Critical element (CE) rating will populate in the rating of record section
- RO will recommend overall rating of record
- RO will recommend employee for an award and sign
- SRO will indicate approval rating of record by signing
- SRO will indicate concurrence with rating of record and award recommendation
 - If not approved or non-concurred, SRO must document
- Rating final when signed by SRO and can be communicated to employee

SECTION 2 - RATING OF RECORD		
PART M - ANNUAL PERFORMANCE RATING OF RECORD		
CRITICAL ELEMENT	CRITICAL ELEMENT TITLE	INDIVIDUAL ELEMENT LEVEL
1	Program Analytics	Acceptable
2	Budget formulation	Acceptable
3	Execution	Acceptable
4		
5		
RATING OF RECORD (If any one critical element is assigned "Unacceptable," then input "Unacceptable." Otherwise, input "Acceptable.")		Acceptable
PART N - ANNUAL APPRAISAL DOCUMENTATION		
1. MEANS OF DELIVERY (Enter date under method used)		
a. FACE-TO-FACE	b. TELEPHONE	c. OTHER (Explain):
2.a. PRINTED NAME OF RATING OFFICIAL (Last, First, Middle Initial)		b. SIGNATURE
c. TITLE AND ORGANIZATION		d. DATE
3.a. PRINTED NAME OF SENIOR RATING OFFICIAL (Last, First, Middle Initial)		b. SIGNATURE
c. TITLE AND ORGANIZATION		d. DATE
4.a. SIGNATURE OF EMPLOYEE (Receipt acknowledged. Signature does not indicate agreement or disagreement.)		b. DATE
PART O - COMMAND USE		
Mr. Doe is recommended for an award. RO		
I concur with award recommendation for Mr. Doe. SRO		
SRO must document here any reason for disapproval of rating of record or non-concurrence of award recommendation.		

PARB Process

- Board Administrator sets up the PARB tool prior to convening
 - DCPDS data (Name, grade, step, salary information)
 - Funding levels as established by DoD/DON/USMC/Command
 - Career stage information for employees assigned
 - Eligibility and recommendation
- Board members prepare for PARB by reviewing performance of their employees
 - Make preliminary contribution level determinations
 - Potential candidate(s) for QSI
- Review business rules



PARB Process

- Board Chair
 - Convene PARB 45 days after end of cycle
 - Ensure a shared understanding by all PARB members regarding contribution level (CL) descriptions
- Facilitate review of performance and assignment of CLs per business rules
 - CL is assigned for overall performance and contribution; not by individual critical elements

(1) CL-1; Met expectations. Attained each critical element on time, requiring little supervision or rework. Achieved requirements and ensured the continuation of the goals and mission of the commands/unit/office.

(2) CL-2; Exceeded expectations. Accomplished more than required in advance of timelines with limited supervision. Took initiative and recommended solutions and improvements. Contributions significantly enhanced the goals and mission of the command/unit/office.

(3) CL-3; Greatly exceeded expectations. Accomplished more than required to a superior level without supervision. Recognized by senior and peers for outstanding performance. Contributed to the efficiency of the agency. Contributions had great impact on the success of the goals and mission of the command/unit/office.

PARB Process

- Award percentages
 - The PARB tool will assign a starting percentage for each CL based on the funding and number of employees
 - PARB can further distinguish employee performance and contribution by manually overriding tool
 - CL 3 percentages will be higher than CL2, and CL2 percentages will be higher than CL1
- QSIs
 - Once CLs and percentages have been assigned
 - Review eligible candidates for QSI
 - Award QSI as appropriate
 - Ensure RO assessment fully justifies any decision to award a QSI
 - Cannot exceed funding
 - Commands may establish guidance that permits the transfer of unspent QSI funding to Bonus funding

DoD has established a 1% bonus ceiling for Transition year; therefore, unspent QSI funding may not be transferred to bonus

PARB Results

- PARB actions complete
 - PARB tool will generate an employee notification form
 - Identifies name of Board Chair and date PARB final
 - Provides:
 - Assigned contribution level
 - Award Amount (if applicable)
 - QSI (if applicable)



- Payout
 - Commands and HROs will process awards and QSIs in a timely manner (usually prior to January)
- Grievances
 - Determination concerning awards or QSIs are not grievable
- Records Management
 - Final performance appraisal forms and PARB results will be maintained in accordance with command rules
 - It's a best practice to maintain a copy for your records.



Course Summary

You have learned how to:

- Identify and explain the performance management phases in the Interim Performance Management System
- Identify the criteria and methods for developing and evaluating critical elements
- Describe the purpose of the progress review, factors considered at review, and how to conduct one
- Explain importance of closeout assessments and when they are to be conducted
- Understand the two separate and distinct processes: Rating and Rewarding
- Accurately complete the performance plan appraisal form
- Describe the USMC recognition framework
- Understand the importance of the Performance Awards Review Board, their duties, roles and responsibilities

Guides, Websites & Resources

- **DON Interim Performance Management System Policy, Sept 2010**
- **USMC Letter of Instruction (LOI), Sept 2010**

TRAINING

Writing a Self Assessment iSuccess Web

Performance Management: A tool to achieve results

GS 101

Official USMC MPC 20 Website

USMC NSPS Transition Help Desk